CENTRAL BASIN MUNICIPAL WATER DISTRICT WEST BASIN MUNICIPAL WATER DISTRICT

Policy Principles for a CALFED Bay-Delta Solution

♦ Getting Better Together

Continue to support the CALFED consensus building process as a means for providing a comprehensive solution package to conflicting Bay-Delta uses. The CALFED Solution package must provide comprehensive benefits for the environment and for water users. In effect, all stakeholder interests must "get better together."

The preferred solution must provide significant improvements in water quality, water reliability, and the environment. A comprehensive set of assurances must be defined before a preferred solution can be selected. Correspondingly, environmental organizations must recognize the significant contributions Southern California water agencies have historically made in the fields of water recycling, conservation, and environmentally sound water resource management. It is paramount that a "spirit of reciprocity" emerge from the environmental community toward the achievements of the urban agencies, and that a Bay/Delta solution which realistically addresses water supply and quality needs of urban areas be supported by environmental interests.

As previously noted, the preferred solution must provide significant improvements in urban water quality and supply. In addition, the preferred solution will only be successful if it provides comprehensive coverage for all regulatory obligations; combining the State Water Quality Control Plan, state and federal Endangered Species Act (ESA), CVPIA, and other requirements into a single, managoable integrated system of regulatory requirements. This includes provisions in the preferred solution assuring permitting capabilities for major water quality and water supply facilities in concert with provisions for ecosystem restoration.

Water Quality

Higher source quality water must be provided for drinking water consumption, groundwater recharge and recycled water development to balance with the hundreds of millions of dollars water purveyors are investing in advanced treatment technologies.

Water quality - both in terms of health effects and salinity - is an ongoing concern to Central Basin Municipal Water District and West Basin Municipal Water District. Water in the Delta is affected by drainage from cities and farms, and tidal mixing that carry salts such as bromide into the Delta from the ocean. Bromlde in particular is a problem because, when treated with chlorine, it forms disinfection byproducts such as Trihalomethanes, which are a health hazard. A reduction in bromides in the source water may alleviate the need for more costly water treatments in Southern California.

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Salinity also is a concern. Most of the imported water to the Southern California region is from the Colorado River and is of poor quality due to its high salinity (total dissolved solids, TDS). This water quality has an enormous impact to the community. High TDS water reduces the life of plumbing, home water fixtures, landscaping and industrial processes which results in hundreds of millions of dollars in expenditures on repair and replacements. This high TDS water also degrades the quality of groundwater. Total dissolved solids is also an important consideration in water recycling. Water that is too high in TDS concentration may not be used for irrigation of turf or industrial uses. The bottom line is more salt is brought into the region than is removed which threatens the region's future economic health.

Two elements must be implemented to solve this problem. The first is underway by developing a salinity management program for the Colorado River. The second element is blending Colorado River water with lower TDS water.

CALFED must provide lower TDS water than is currently available for the Bay/Delta for export to Southern California. This can be achieved by creating multiple diversion points from which export water is taken from the Delta and the method with which it is delivered to Southern California. Currently, water flows through the Bay/Delta and is mixed with sea water. By moving to points of diversion upstream in the Delta and improving the delivery system to the State Water Project, lower TDS water can be assured from this critical water supply component for Southern California. Overall, higher quality water in Southern California results in an increase in the ability to efficiently use available supplies and provides for increasing public health and economic prosperity.

In general, the environmental community and the agricultural community have been supportive of water recycling projects as a means to reduce regional potable demand. Southern California water agencies need greater support for water recycling programs as a part of an overall solution package than is current being developed. The support from the State could be in the form of easier access to state loans and grants, preferential access to State Drought Water Bank purchases, customer tax credits, etc. Water agencies must have strong vocal support from other stakeholder groups to give water recycling a more prominent role in a CALFED solution.

Water Supply Reliability

Enhance State Water Project (SWP) supplies by improving, with certainty, the ability to transport water from source areas to the SWP while protecting environmental and other beneficial uses of the Bay-Delta.

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The ability to receive water from the Bay-Delta is a current risk. The flow-through Delta conveyance method of delivering water is threatened due to flooding, levee breaks and earthquakes. Southern California needs the Bay-Delta system to be free from the potential threat of interruption, possibly lasting several months. In addition, ESA listings eliminated assurances that this supply would remain reliable. These issues can be resolved by implementing the levee restoration program, conveyance enhancement program and addition of new storage and, implementing a single, manageable system of regulatory certainty as part of a CALFED preferred solution. The environmental community must recognize that reliability is of utmost importance to urban water agencies such as Central Basin Municipal Water District and West Basin Municipal Water District. Without assurances of a reliable supply of water for Southern California from the State Water Project, there can be no support from the Districts for a CALFED solution.

♦ Water Transfers

Provide regulatory certainty and physical mechanisms to accommodate transfers with no third party impacts, and costs associated with transfers must be identified and allocated consistent with cost allocation principles.

A free market for water would greatly contribute to Southern California's ability to meet its water demands, particularly in periods of drought. Federal and state agencies have stood in the way of the development of a free market for water due to current and conflicting regulations and multiple overlying jurisdictions. This can and must be corrected as a part of CALFED preferred solution.

However, removal of regulatory roadblocks is only part of the issue. A Delta fix is critical to opening the market for transfers. Water transfers would primarily occur during periods when other water would not be moved for export. Fixing the Delta would result in built-in capacity for accommodating transfers. Also, third party impacts need to be mitigated form upstream of the Delta, through the Delta, and all the way to the point of delivery.

♦ Cost

A cost-effective solution with equitable allocation of costs among those benefiting from improvements in the Bay-Delta.

Southern California is going to be asked to pay their fair share of any CALFED solution. While this should be expected, Southern Californians should not be made to pay for the improved benefits to other areas as a result of a CALFED solution. Urban water suppliers should not be required to pay for benefits received by the agricultural community or for restoration of the environment. The agricultural community should

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pay for their benefits and the general public should pay for the benefit of a restored environment.

Water Use Efficiency (Conservation)

The urban water use efficiency component of the preferred solution must be consistent with the Best Management Practices (BMP's) process including local control over implementing specific measures.

The agricultural water use efficiency component of the preferred solution must be consistent with the MOU regarding Efficient Water Management Practices by Agricultural Water Suppliers in California.

Recognizing the need to be responsible for how efficiently water is used, <u>urban water communities has invested hundreds of millions of dollars</u> on measures to reduce water consumption in their service areas. This has been accomplished through a significant investment of local financial resources by urban water consumers. The CALFED solution must recognize this effort and not require implementation of mandatory conservation measures that are unreasonable and may not be able to be implemented due to local conditions. Further, CALFED must recognize the achievements of Southern California water agencies in the area of water efficiency and conservation practices and provide credit for work performed to date.

Finally, urban water providers require the agricultural community to be as responsible in their water management practices and make similar investments to reduce their water requirements.

Ecosystem Restoration

The ecosystem restoration program must be affordable, enhance the ecological health of the Bay-Delta, and be consistent with cost allocation principles.

The Central Basin Municipal Water District and West Basin Municipal Water District supports restoration of the environment as part of the CALFED preferred solution and has shown this by supporting investments in the environment through bond measures. As part of this support, the Districts require that environmental restoration measures work, are paid for by the general public and are implemented through fiscally sound management practices. Further, all investments for environmental restoration measures must be balanced with investments in water quality and water supply reliability measures for water consumers.

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